

REMARKS

Claims 1-15 were originally presented in the subject application. Claims 1-15 were cancelled and claims 16-47 added in a Response dated August 4, 2004. Claims 16, 20, 28, 33, 34, 36, 40, 41 and 47 were amended in a Preliminary Amendment filed April 8, 2005, with a Request for Continued Examination. Claims 21, 37 and 44 were canceled without prejudice, and claims 16, 19, 28, 32, 34, 35, 41 and 42 amended in a Response dated October 27, 2006.

Claims 16, 33, 34, 40, 41 and 47 have herein been amended to more clearly point out and distinctly claim the subject invention. No claims have herein been canceled or added. Therefore, claims 16-20, 22-36, 38-43 and 45-47 remain in this case.

The addition of new matter has been scrupulously avoided. In that regard, support for the common amendment to independent claims 16, 33, 34, 40, 41 and 47 can be found in the specification at, for example, page 10, line 24 to page 11, line 6.

Applicants respectfully request entry of these amendments and remarks, and reconsideration and withdrawal of the various grounds of rejection.

35 U.S.C. §102 Rejection

The final Office Action rejected claims 16-20, 22-30, 32-36, 38-43 and 45-47 under 35 U.S.C. §102(b), as allegedly anticipated by Beuk et al. (U.S. Patent No. 5,446,266). Applicants respectfully, but most strenuously, traverse this rejection.

Amended claim 16 recites a method of controlling card holder verification. The method comprises checking the presence of a trusted association between at least one device and a card usable with the at least one device. The method further comprises, if the checking indicates the presence of a trusted association, performing card holder verification using the card and without involving a holder of the card. The method further comprises, if the checking indicates no trusted association, involving the holder of the card in performing card holder verification.

Beuk et al. discloses a system with two types of cards, a unique card having a system code and one or more other cards having a security code. Any security card with the correct security code can operate the apparatus, but only the unique card with the system code can change the security code for apparatus operation. If the security code on a given security card does not match the current one in the apparatus memory, the user is asked to enter the correct security code manually.

Against claim 16, the final Office Action cites to the two-card system of Beuk et al., apparently alleging that the system card can be used to check a trusted association, then the security card can be used to verify the card holder. Previously, Applicants were under the impression that only the security card was being cited, since the present invention is directed to the use of only one card. It was not made clear to Applicants that both cards were being cited to read on different parts of the claim.

Nevertheless, Applicants submit that the claims of the present application cannot be anticipated by the alleged combined use of both cards in the Beuk et al. dual-card system. Even without the amendment herein, Applicant submits claim 16 would be understood to refer to the use of one card, especially in light of the specification description and examples provided. However, Applicants have amended the independent claims to remove any doubt the Examiner may have had. Again, this would have been done in the prior response if the more detailed rejection of the final Office Action had been previously presented.

Thus, claim 16 clearly recites the use of one card for both the trusted association and card holder verification. In contrast, the final Office Action cites to the use of two cards in Beuk et al.

Therefore, Applicants submit that claim 16 cannot be anticipated by, or even made obvious over, Beuk et al.

Each of independent claims 33, 34, 40, 41 and 47 contains, in some form, limitations similar to that argued above with respect to claim 16. Thus, the remarks made above with respect to claim 16 are equally applicable thereto. Therefore, each of claims 33, 34, 40, 41 and 47 also cannot be anticipated by, or even made obvious over, Beuk et al.

35 U.S.C. § 103 Rejection

The Office Action rejected claim 31 under 35 U.S.C. § 103, as allegedly obvious over Beuk et al. in view of Sloan (U.S. Patent No. 6,179,205). Applicants respectfully, but most strenuously, traverse this rejection.

Applicants submit that claim 31 is allowable for same reasons set forth above with respect to claims 16, as well as for its additional limitations. Sloan fails to remedy the shortcomings of Beuk et al. noted above with respect to claim 16.

In addition, Applicants maintain the arguments set forth in the Appeal Brief and in the prior response regarding Sloan.

Therefore, Applicants submit that claim 31 cannot be rendered obvious over Beuk et al. in view of Sloan.

Reply to Response to Arguments

The final Office Action alleged, among other things:

Also, the presence of a trusted association can be interpreted as being: whether a card is inserted, or whether the card is a system card or user card, or whether the system code or security code on the card is correct.

Applicants respectfully disagree. Whether a card is inserted, for example, does not indicate anything, let alone the presence of any type of trusted association. Any card that fits could be inserted into the card slot.

The final Office Action also alleged that “the limitation of controlling association between device and a card has nothing to do with card holder involvement.” However, the “controlling” refers back to the preamble of claim 16, which recites, in relevant part, “[a] method of controlling card holder verification.” Further down in the second paragraph of claim 16, card holder verification is explained. As part of that process, there is conditional card holder involvement. Thus, that aspect most certainly relates to card holder involvement, albeit conditional in nature.

Finally, the final Office Action alleges that

Sloan explicitly states "In one embodiment of the present invention, the issuer of the smart card can also unload an application".

However, Applicants point out that the issuer is not the user (or card holder), but rather, the company or person that provided the smart card to the user.

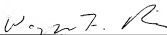
### CONCLUSION

Applicants submit that the dependent claims not specifically addressed herein are allowable for the same reasons as the independent claims from which they directly or ultimately depend, as well as for their additional limitations.

For all the above reasons, Applicants maintain that the claims of the subject application define patentable subject matter and earnestly request entry of these remarks and allowance of claims 16-20, 22-36, 38-43 and 45-47.

If a telephone conference would be of assistance in advancing prosecution of the subject application, Applicants' undersigned attorney invites the Examiner to telephone him at the number provided.

Respectfully submitted,

  
\_\_\_\_\_  
Wayne F. Reinke  
Attorney for Applicants  
Registration No.: 36,650

Dated: March 12, 2007.

HESLIN ROTHENBERG FARLEY & MESITI P.C.  
5 Columbia Circle  
Albany, New York 12203-5160  
Telephone: (518) 452-5600  
Facsimile: (518) 452-5579